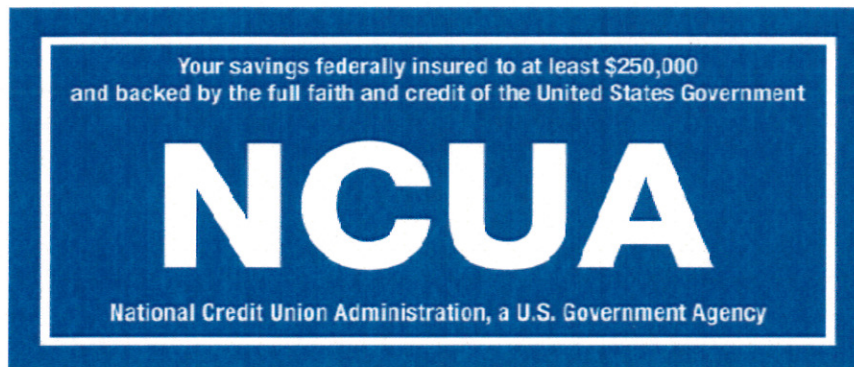


# NATIONAL CREDIT UNION SHARE INSURANCE FUND



## PRELIMINARY & UNAUDITED FINANCIAL HIGHLIGHTS July 31, 2013

*Mary Ann Woodson*

**MARY ANN WOODSON  
CHIEF FINANCIAL OFFICER**

**NATIONAL CREDIT UNION ADMINISTRATION  
SHARE INSURANCE FUND**

**FINANCIAL HIGHLIGHTS  
July 31, 2013**

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**Balance Sheet:**

**Other - Insurance and Guarantee Program Liabilities (Reserves):** Reserves are \$270.9 million as of July 31, 2013; \$58.9 million is for specific natural person credit unions, and \$212.0 million is for general reserves.

**Statement of Net Cost:**

For the month ended July 2013, the fund had a net loss of \$28.5 million. The fund recognized gross revenues of \$17.1 million and total operating expenses of \$12.9 million. The fund recognized insurance loss expenses of \$32.7 million during the month of July 2013.

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**  
**PRELIMINARY AND UNAUDITED BALANCE SHEETS**  
**As of July 31, 2013**  
**(Dollars in thousands)**

	<u>July 2013</u>	<u>June 2013</u>	<u>July 2012</u>
<b>ASSETS</b>			
<b>INTRAGOVERNMENTAL</b>			
Fund Balance with Treasury	\$ 671	\$ 1,551	\$ 561
Investments, Net U.S. Treasury Securities	10,999,271	10,998,718	11,156,735
Accounts Receivable - Note due from the National Credit Union Administration Operating Fund	13,632	13,745	14,974
Accounts Receivable, Other	8	2,021	783
Accrued Interest Receivable, Investments	72,965	70,412	78,612
Total Intragovernmental Assets	<u>11,086,547</u>	<u>11,086,447</u>	<u>11,251,665</u>
<b>PUBLIC</b>			
General Property, Plant, and Equipment, Net	-	-	7
Notes Receivable, Net	228,998	231,106	70,000
Accrued Interest Receivable	293	332	175
Advances	12	-	-
Other - Receivable from Asset Management Estates, Net	176,249	169,824	264,139
Total Public Assets	<u>405,552</u>	<u>401,262</u>	<u>334,321</u>
<b>TOTAL ASSETS</b>	<u>\$ 11,492,099</u>	<u>\$ 11,487,709</u>	<u>\$ 11,585,986</u>
<b>LIABILITIES</b>			
<b>INTRAGOVERNMENTAL</b>			
Accounts Payable - Due to the National Credit Union Administration Operating Fund	\$ 393	\$ 14	\$ -
Accounts Payable - Due to the Temporary Corporate Credit Union Stabilization Fund	568	1,698	-
Total Intragovernmental Liabilities	<u>961</u>	<u>1,712</u>	<u>-</u>
<b>PUBLIC</b>			
Accounts Payable	10,833	990	25
Other - Insurance and Guarantee Program Liabilities (Reserves)	270,893	248,102	632,572
Total Public Liabilities	<u>281,726</u>	<u>249,092</u>	<u>632,597</u>
<b>TOTAL LIABILITIES</b>	<u>282,687</u>	<u>250,804</u>	<u>632,597</u>
<b>NET POSITION</b>			
Contributed Capital	8,394,282	8,394,151	7,950,085
Cumulative Result of Operations	2,815,130	2,842,754	3,003,304
Total Net Position	<u>11,209,412</u>	<u>11,236,905</u>	<u>10,953,389</u>
<b>TOTAL LIABILITIES AND NET POSITION</b>	<u>\$ 11,492,099</u>	<u>\$ 11,487,709</u>	<u>\$ 11,585,986</u>

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**  
**PRELIMINARY AND UNAUDITED STATEMENTS OF NET COST**  
For the Periods Ending July 31, 2013  
(Dollars in thousands)

	July 2013	CY to Date July 2013	CY to Date July 2012
<b>GROSS COSTS</b>			
<b>OPERATING EXPENSES</b>			
Employee Pay	\$ 6,736	\$ 43,777	\$ 43,291
Employee Benefits	2,532	16,037	13,492
Travel	1,562	8,489	8,629
Rent, Communications, and Utilities	309	1,583	1,756
Administrative Costs	583	3,927	4,346
Contracted Services	1,074	6,455	5,151
AMAC Expense	-	-	356
Training Expense	84	602	534
Leasing Expense	36	108	85
Other Insurance Expense	-	31	32
Total Operating Costs	<u>12,916</u>	<u>81,009</u>	<u>77,672</u>
<b>INSURANCE LOSS EXPENSE</b>	<u>32,687</u>	<u>(46,614)</u>	<u>36,216</u>
Total Gross Costs	<u>45,603</u>	<u>34,395</u>	<u>113,888</u>
<b>LESS EXCHANGE REVENUES</b>			
Interest Revenue on Note Receivable due from the National Credit Union Administration Operating Fund	(21)	(149)	(176)
Interest Revenue - Other	(293)	(2,055)	(701)
Other Revenue	-	(237)	(3,661)
Total Exchange Revenue	<u>(314)</u>	<u>(2,441)</u>	<u>(4,538)</u>
<b>TOTAL NET COST/(INCOME) OF OPERATIONS</b>	<u>45,289</u>	<u>31,954</u>	<u>109,350</u>
<b>LESS NON-EXCHANGE REVENUES</b>			
Investment Income	(16,767)	(116,055)	(123,336)
Total Non-Exchange Revenues	<u>(16,767)</u>	<u>(116,055)</u>	<u>(123,336)</u>
<b>TOTAL NET COST/(INCOME) INCLUDING NON-EXCHANGE REVENUES</b>	<u>\$ 28,522</u>	<u>\$ (84,101)</u>	<u>\$ (13,986)</u>

**NATIONAL CREDIT UNION SHARE INSURANCE FUND**  
**PRELIMINARY AND UNAUDITED STATEMENTS OF NET POSITION**  
**July 31, 2013**  
**(Dollars in thousands)**

	July 2013	June 2013	July 2012
<b>NET POSITION BREAKDOWN</b>			
CU Contributed Capital	\$ 8,394,282	\$ 8,394,151	\$ 7,950,085
Retained Earnings	2,681,278	2,709,805	2,546,946
Total Net Position without Unrealized Gain/(Loss)	11,075,560	11,103,956	10,497,031
Unrealized Gain/(Loss) - Investments	133,852	132,949	456,358
<b>NET POSITION</b>	<b>\$ 11,209,412</b>	<b>\$ 11,236,905</b>	<b>\$ 10,953,389</b>

**Comparative Analysis of NCUSIF Ratios for July 2013**

	July 2013	June 2013	July 2012
Investments/Total Assets	95.71%	95.74%	96.30%
Total Equity/Insured Shares (1)	1.27%	1.28%	1.26%
Available Assets Ratio	1.23%	1.28%	1.26%
Ins. Loss Exp./Insured Shares	0.00%	0.00%	0.00%

Actual Insured Shares as of June 30, 2013	869,022,832,201
Actual Insured Shares as of December 31, 2012	839,385,188,302
Actual Insured Shares as of June 30, 2012	834,267,557,427

(1) The June and July 2013 ratio is based on an actual insured share level of \$869.0 billion at June 30, 2013, a 3.4% growth rate from the last reporting period. Collection of the 1% capitalization deposit adjustment associated with the share growth to be invoiced in September, would raise the equity ratio to 1.31% as of July 2013.

The July 2012 ratios are based on an actual insured share level of \$834.3 billion as of June 30, 2012.



Figure 1

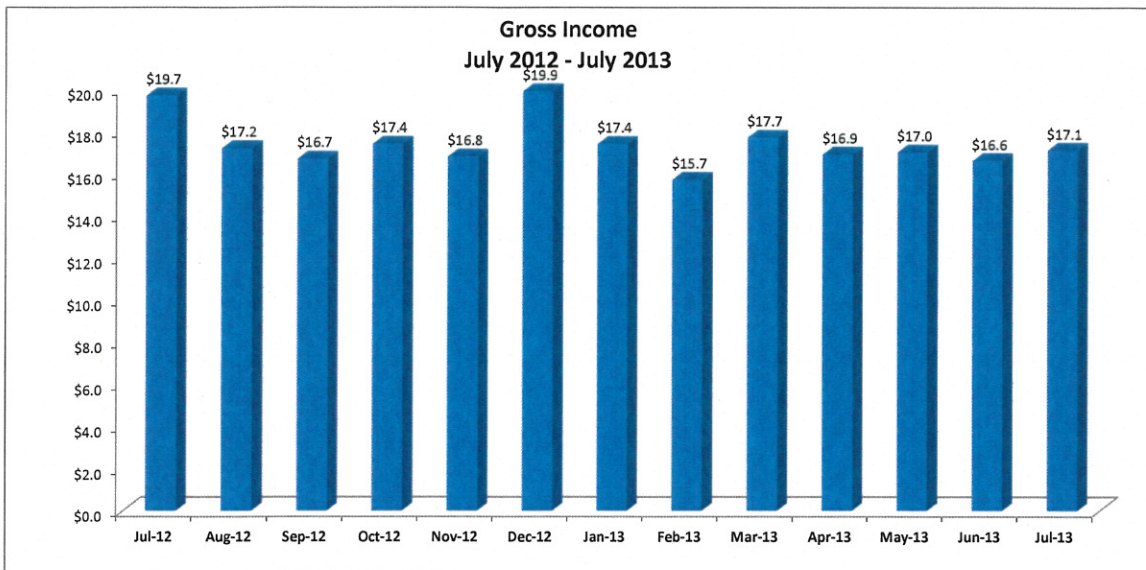


Figure 2

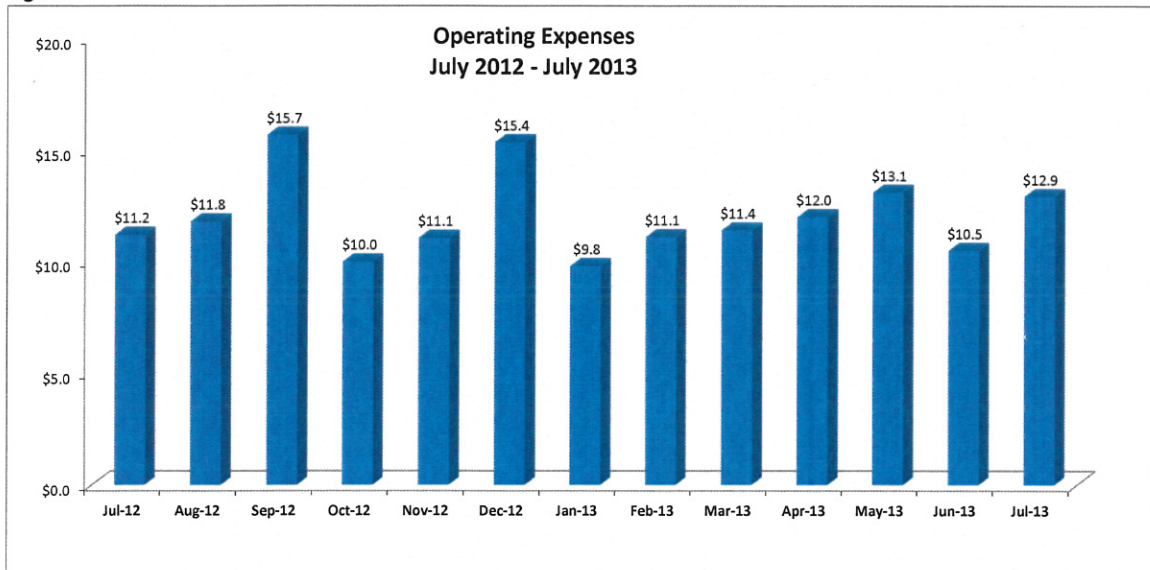
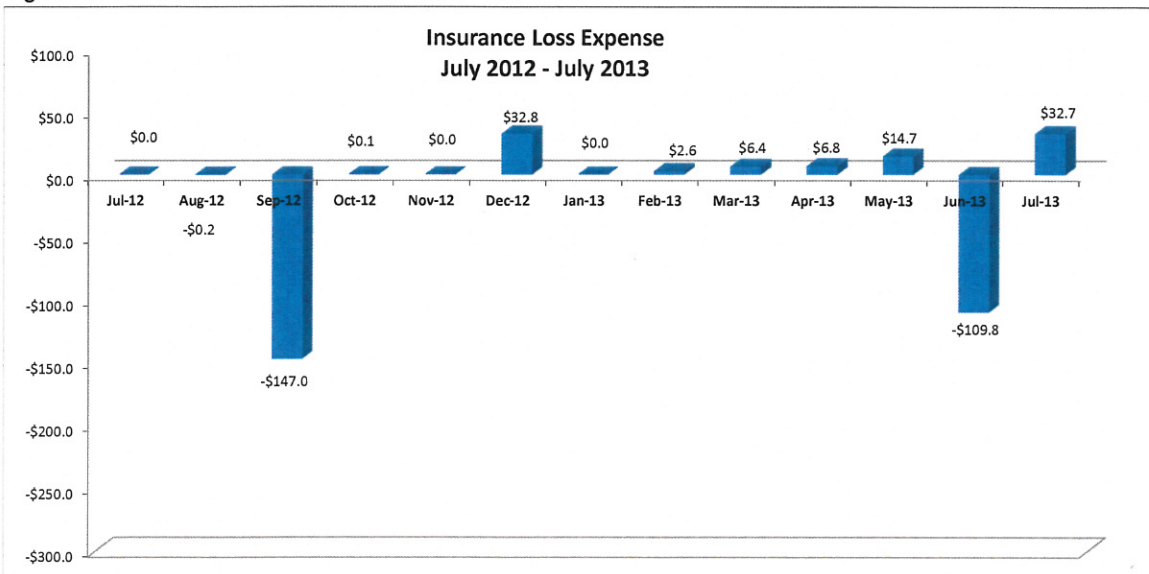


Figure 3



**INVESTMENT PORTFOLIO SUMMARY**  
July 31, 2013

I. INVESTMENT PORTFOLIO BALANCE AND MARKET VALUE (In Dollars)						
	Book Value	Market Value	Gain or (Loss)	% Market to Book Value	Weighted Average Yield	
Daily Treasury Account	\$ 257,424,000	\$ 257,424,000	\$ -	100.00%	0.02%	
U.S. Treasury Notes	10,607,994,431	10,741,846,621	133,852,189	101.26%	1.86%	
<b>Total</b>	<b>\$ 10,865,418,431</b>	<b>\$ 10,999,270,621</b>	<b>\$ 133,852,189</b>	<b>101.23%</b>	<b>1.82%</b>	
II. INVESTMENT PORTFOLIO SUMMARY						
	Last Month	Current Month	CY To Date			
Investment Yield	1.83%	1.82%	1.84%			
Investment Income	\$ 16,329,679	\$ 16,766,845	\$ 116,055,560			
Weighted Avg. Maturity in Days	1,307	1,276				
III. MONTHLY ACTIVITY						
Purchased	Type	Amount	Maturity	Yield		
<b>TOTAL</b>		<b>\$ -</b>				
IV. MATURITY SCHEDULE (par value in millions)						
Overnight	\$	257				
1 month - 6 months		800				
6 months - 1 year		1,000				
1 year - 2 years		1,870				
2 years - 3 years		1,900				
3 years - 4 years		1,400				
4 years - 5 years		600				
5 years - 10 years		2,800				
<b>TOTAL</b>	<b>\$</b>	<b>10,627</b>				